

Idaho Grain Market Report, October 7, 2021—NEW CROP PRICES

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lwilder@barley.idaho.gov 208-334-2090 www.barley.idaho.gov



Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday October 6, 2021. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	12.00		8.32	8.07	9.43	8.27
Idaho Falls		8.30-12.50	8.00	8.40	9.00	8.40
Blackfoot / Pocatello		11.50	8.00	8.40	9.00	8.40
Grace / Soda Springs	10.00		7.00	7.99	8.72	
Burley / Rupert	11.00		7.60	8.15	9.18	8.15
Twin Falls / Buhl Jerome / Wendell						
Meridian	12.00		9.50	7.86	9.46	
Nezperce / Craigmont	10.21		9.55	8.11	9.91	
Lewiston	10.73		9.81	8.37	10.17	
Moscow / Genesee	10.24-10.43		9.58-9.75	8.14-8.26	9.91-9.94	

Prices at Selected Terminal Markets, cash FOB

Wednesday October 6, 2021. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			9.75-10.75	8.92-9.17	10.67-10.82	
Ogden						
Great Falls	5.70-5.95	6.75-7.00		7.62-7.67	9.19-9.29	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending October 6. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for 2021/2022 for the week of September 24-30. Exports of 1,000 were reported to Japan (800 MT) and Taiwan (200 MT) for the week.

Barley and Beer Industry News—Idaho barley farmers are being paid higher contract prices for next year's crop. Rupert farmer Mike Wilkins usually gets paid between \$9.50 and \$10.00 per hundred weight (cwt) for malt barley. Next year he will be paid \$14.00 per cwt. "This is the highest price I've seen since I've been growing barley", said Wilkins, who has been growing barley for three decades. Idaho farmers usually grow about one third of the nation's barley. About 75 percent of Idaho's barley is malt barley, which is a critical part of the beer-brewing process, and is purchased by major malting and brewing companies such as Anheuser-Busch (AB-Inbev), Great Western Malting and Molson Coors. "The vast majority of Idaho's malt barley crop is grown under contract and major maltsters are more aggressively seeking contracts for next year", said Laura Wilder, executive director of the Idaho Barley Commission. Companies are offering contracts earlier and for more money for the 2022 than recent years because they need to secure their supply. Wilder said barley contract prices for growers in the nation's top barley-producing states of Idaho, Montana, and North Dakota are expected to be up about 40 percent for the 2022 season. Idaho's malt barley plays a critical role in the production of the U.S beer supply each year. Total barley production in Idaho was down 21 percent in 2021 compared to 2020 due to the unusual extreme drought situation, while the total U.S. supply was down 31 percent compared to 2020, resulting in a frenzied push by brewing companies to lock up supply for the 2022 season, said Clark Johnston, owner and manager of JC Management Co. (Idaho State Journal)

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mostly up for the week ending October 6. SSW prices ranged from up \$0.11 to up \$0.75 from the previous week; HRW prices were up \$0.27 to up \$0.52; DNS prices were down \$0.09 to up \$0.56; and HWW prices were up \$0.40 to up \$0.49. USDA FAS reported net export sales for 2021/2022 for the period September 24-30 at 333,200 MT, up 15 percent from the prior week but down 19 percent from the previous 4-week average. Increases were to Mexico (89,100 MT), South Korea (82,700 MT), The Philippines (69,300 MT), Indonesia (59,000 MT), and Nigeria (32,000 MT). Exports of 543,400 MT were to the Philippines (242,300 MT), Peru (67,500 MT), South Korea (55,000 MT), Guatemala (36,000 MT), and Japan (35,600 MT).

Wheat News—Idaho's total wheat production fell by 32 percent compared to last year. Idaho farmers produced 36 million fewer bushels of wheat in 2021 versus 2020. Casey Chumrau, Idaho Wheat Commission Executive Director said severe drought conditions in most of the state, coupled with an extreme early season heat wave, took a major toll on wheat yields in Idaho this year. The Wheat Commission knew that the production would be significantly down so they adjusted their budget accordingly. "As ugly as the NASS report was, we knew that was the reality out there," Chumrau said. Forty two out of forty four Idaho counties grow wheat. Idaho farmers brought in \$550 million in farm-gate revenue from wheat in 2020. "Because we have the benefit of irrigation in a lot of areas where wheat is grown, Idaho generally produces a pretty stable quantity of wheat," Chumrau said. "We've become known for that and are proud of that but sometimes Mother Nature gets the best of you and there's nothing you can do about it." Farmers say the drought was the biggest factor in the wheat reduction but the early heat wave made it worse. "The real killer was the drought but the fact that temperatures were not dropping enough at night to provide relief to the crop was the final straw," Chumrau said. Dryland farmers were hit the hardest but irrigated crops still saw their yields fall. Meridian wheat farmer, Richard Durrant said he had enough water for his crops but the high temperatures hurt his yields. Durrant's five year average for his wheat crop going into the 2021 season was about 150 bushels per acre. In 2019, Durrant averaged 170 bushels per acre. This year, he says his wheat yields averaged about 118 bushels per acre. (Post Register)

CORN—USDA FAS reported net sales for 2021/2022 for period September 24-30 of 1,265,100 MT, increases were primarily to Mexico (801,400 MT), Honduras (96,800 MT), Canada (94,600 MT), and Guatemala (60,000 MT). Exports of 974,600 MT were to Mexico (349,100 MT), China (212,300 MT), Japan (193,100 MT), Colombia (125,800 MT), and Venezuela (24,800 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending October 1 averaged 978 thousand bbls/day up 7.00 percent from the previous week and up 5.96 percent from last year. Total ethanol production for the week was 6.846 million barrels. Ethanol stocks were 19.931 million bbls on October 1, down 1.43 percent from last week and up 1.32 percent from last year. An estimated 99.29 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 421.36 million bu. Corn used needs to average 100.151 million bu per week to meet USDA estimate of 5.2 billions bu for the crop year.

Futures Market News and Trends—Week Ending October 7, 2021

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, October 7, 2021:

Commodity	December 2021	Week Change	March 2022	Week Change	May 2022	Week Change	July 2022	Week Change
CHI SRW	\$7.41 ¹ / ₄	-\$0.14	\$7.54 ³ / ₄	-\$0.11 ¹ / ₄	\$7.58 ¹ / ₂	-\$0.09 ³ / ₄	\$7.44 ¹ / ₂	-\$0.03 ¹ / ₄
KC HRW	\$7.41 ¹ / ₄	-\$0.18 ¹ / ₄	\$7.49 ¹ / ₂	-\$0.17	\$7.52 ¹ / ₄	-\$0.15 ¹ / ₄	\$7.44 ³ / ₄	-\$0.04 ³ / ₄
MGE DNS	\$9.42 ¹ / ₄	\$0.13 ¹ / ₄	\$9.31 ¹ / ₄	\$0.14	\$9.16 ³ / ₄	\$0.12 ¹ / ₄	\$9.00 ¹ / ₄	\$0.33
CORN	\$5.34	-\$0.07 ¹ / ₂	\$5.43	-\$0.06 ³ / ₄	\$5.48	-\$0.06 ¹ / ₂	\$5.48 ¹ / ₂	-\$0.06 ¹ / ₂

WHEAT FUTURES—Wheat futures mixed as production concerns continue. **Wheat futures prices ranged from down \$0.02 to up \$0.12 (per bu) over the previous week.**

CORN FUTURES—Corn futures prices fall on concerns about abundant supply. **Corn futures prices ranged from up \$0.10 to up \$0.10¹/₄ (per bu) over the previous week.**

CRUDE OIL FUTURES—U.S. considers releasing emergency oil reserves to tame fuel price surges.

EIA reported U.S. crude oil refinery inputs averaged 15.7 million bbls/day during the week ending October 1, 2021 which was 330 thousand bbls/day more than last week's average. Refineries operated at 89.6% of capacity last week. As of October 1 there was an increase in Crude Oil stocks of 2.345 million bbls from last week to 420.887 million bbls, under the 5-year average of 452.924 million bbls. Distillate stocks decreased by 0.396 million bbls to a total of 129.331 million bbls, under the 5-year average of 144.703 million bbls; while gasoline stocks increased by 3.256 million bbls to 225.065 million bbls, under the 227.721 million bbl 5-year average. The national average retail regular gasoline price was \$3.190 per gallon on October 4, 2021, up \$0.015 from last week's price and \$1.018 over a year ago. The national average retail diesel fuel price was \$3.477 per gallon, up \$0.071 from last week's level and up \$1.090 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, October 7, 2021 to close at \$78.30/bbl (November contract), up \$2.42 for the week.

U.S Drought Monitor—October 7, 2021

Northeast: Some improvements were made to abnormal dryness and moderate drought in portions of northern New York and Vermont. Abnormal dryness was expanded in areas of northern New York.

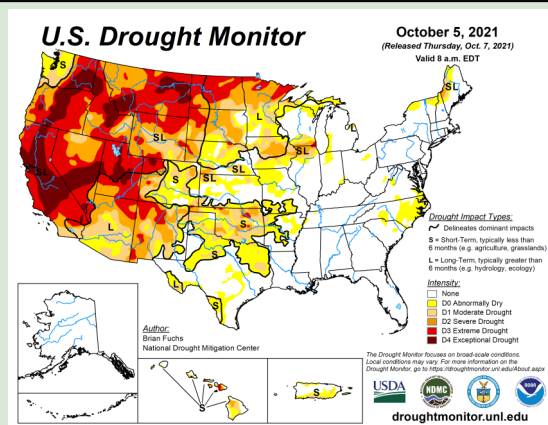
Southeast: Large expansions of abnormally dry conditions in eastern sections of North Carolina.

Midwest: Improvements were made to abnormal dryness in portions of central and southern Missouri and western Indiana. Abnormal dryness was expanded in northern Wisconsin into the Upper Peninsula of Michigan.

High Plains: Improvements were made in South Dakota. Extreme drought was introduced in southeast Wyoming. Some improvements were made in southwest Nebraska.

West: Some minor improvements were made in western New Mexico, central New Mexico, northeast Washington, northern Idaho, southern Montana, and northern Wyoming. Extreme drought was expanded over western Montana. Severe drought was expanded in southwest and southern Colorado.

South: Some minor improvements were made in Texas. Severe drought was expanded in north-central Oklahoma.



USDA U.S. Crop Weather Highlights– October 7, 2021

West: Cool conditions, except for lingering warmth in the central and southern Rockies. Morning freeze warnings in Oregon's Grande Ronde Valley. Showers in the northern Great Basin and the northern Intermountain West. Drought lingers in the West with significant agricultural impact. As of October 3, rangeland and pastures were rated 70% very poor to poor in Montana, Nevada, Wyoming, and the Pacific Coast States.

Plains: Warm conditions except in parts of Montana. High temperatures will could exceed 90degrees throughout the southern Plains. As of October 5, 41 percent of the U.S. winter wheat production are was experiencing drought.

Corn Belt: Rainfall is halting fieldwork from Illinois and southern Wisconsin eastward into Ohio. Mild, dry conditions promote a rapid corn and soybean harvest. As of October 3, corn harvest was at least 5 points ahead of the 5– year average pace in all Midwestern States, except Indiana and Ohio.

South: A pair of disturbances are bringing humid conditions and rainfall to the middle Mississippi Valley and east of the southern Atlantic Coast. Flash flooding threatening western Florida into the southern Appalachians and in the coastal Carolinas. Warm, dry conditions from the western Gulf Coast region into the lower Mississippi Valley promote harvest activities and autumn fieldwork.

Outlook for U.S.: Rainfall totals could reach 1-2 inches by the end of the weekend in the Southeast. Rainfall in the Rockies. Rainfall from the Great Basin and Intermountain West to the north-central U.S. Rainfall from the central and southern Plains in to the Midwest. High winds and heavy rainfall on the Plains. Cool conditions across the West. Above normal temperatures in the eastern half of the country. The NWS 6-10 day weather outlook for October 12-16 calls for above normal temperatures for the eastern half of the country. Cooler conditions in the West and the northern and central Plains. Above normal precipitation across most of the country. Drier than normal in parts of Arizona and New Mexico., as well as parts of the Atlantic Coast States.

International Crop Weather Highlights—Week ending October 2, 2021

Europe: Heavy rainfall favored winter crop establishment in central and eastern Europe. Lingering dryness in the lower Danube River Valley for wheat and rapeseed establishment. Heavy rainfall halted fieldwork across England and Scandinavia.

Middle East: Dry conditions promoted winter grain planting and summer crop harvesting in Turkey. Dry conditions from Syria into Iran.

Asia: Tropical Cyclone Gulab brought heavy rainfall to major rice areas in eastern India. Tropical Cyclone Shaheen brought heavy rainfall to cotton and oilseeds in Gujarat. Dry, warm conditions promoted summer crop harvesting across eastern and southern China. Rainfall throughout Southeast Asia, supporting wet-season rice in Thailand and environs as well as The Philippines.

Australia: Heavy rainfall in the east favored reproductive to filling winter grains and oilseeds. Rainfall benefited wheat, barley, and canola in the west.

South America: Rainfall over central and southern Brazil, promoting soybean planting and coffee flowering.

Mexico: Rainfall favored rain-fed summer crops in southern Mexico and boosted irrigation reserves.

Canada: As of the end of September, harvesting of all Prairie crops was at least ninety percent.

FSU: Dry conditions promoted summer crop harvesting in Belarus, Moldova, Ukraine, and Russia.

USDA Crop Progress—October 4, 2021

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Planted	47%	34%	50%	46%			
ID Winter Wheat Planted	67%	54%	56%	58%			
US Winter Wheat Emerged	19%	9%	22%	20%			
ID Winter Wheat Emerged	27%	15%	21%	23%			
US Corn Mature	88%	74%	85%	77%	59%	59%	62%
US Corn Harvested	29%	18%	24%	22%	59%	59%	62%